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MONTANA LEGISLATIVE HISTORY

Chapter 336 1989

Bill H 372 S _____ Original bill & history X C

H. Committee on Local Government			S. Committee on State Administration		
Hearing Date(s)	Feb 02	✓ C	Hearing Date(s)	Mar 09	✓ C
	Feb 07	✓ C			C
		C			C
		C			C
Date Out	Feb 08	✓ C		Mar 09	✓ C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

HOUSE BILL NO. 372

INTRODUCED BY GOULD, KADAS

IN THE HOUSE

JANUARY 24, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
JANUARY 25, 1989	FIRST READING.
FEBRUARY 7, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 9, 1989	PRINTING REPORT.
FEBRUARY 10, 1989	SECOND READING, DO PASS.
	ENGROSSING REPORT.
FEBRUARY 13, 1989	THIRD READING, PASSED. AYES, 68; NOES, 29.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 14, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON STATE ADMINISTRATION.
	FIRST READING.
MARCH 9, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 10, 1989	SECOND READING, CONCURRED IN.
MARCH 13, 1989	THIRD READING, CONCURRED IN. AYES, 41; NOES, 8.
	RETURNED TO HOUSE.

IN THE HOUSE

MARCH 14, 1989 RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

House BILL NO. 372

INTRODUCED BY Kadas

A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE THE ISSUANCE OF COUNTY AND MUNICIPAL OBLIGATION BONDS IF THE ELECTION TO APPROVE THE ISSUANCE HAD BETWEEN 30 AND 40 PERCENT OF THOSE ELECTORS VOTING AND 60 PERCENT OR MORE OF THE ELECTORS VOTED FOR ISSUING THE BONDS; AND AMENDING SECTIONS 7-7-2237, 7-7-2238, 7-7-4235, AND 7-7-4236, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-7-2237, MCA, is amended to read:

"7-7-2237. Percentage of electors required to authorize bond issue. ~~(1)~~ Whenever the question of issuing county bonds for any purpose is submitted to the registered electors of a county at either a general or special election, the determination of the approval or rejection of the bond proposition is made in the following manner:

(1) determine the total number of electors who were qualified to vote in the bond election;

(2) determine the total number of qualified electors who voted in the bond election from the tally sheet or sheets for the election;

(3) calculate the percentage of qualified electors voting at the bond election by dividing the number determined in subsection (2) by the number determined in subsection (1); and

(4) when the calculated percentage in subsection (3) is 40% or more, the bond proposition is considered approved and adopted if a majority of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(5) when the calculated percentage in subsection (3) is more than 30% but less than 40%, the bond proposition is considered approved and adopted if 60% or more of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(6) when the calculated percentage in subsection (3) is 30% or less, the bond ~~not less than 40% of the registered electors entitled to vote on the question must vote thereon; otherwise,~~ proposition ~~shall be~~ is considered ~~to have~~ been rejected.

~~(2) If 40% or more of the registered electors do vote on the question at the election and a majority of the votes shall be cast in favor of the proposition, then the proposition shall be considered to have been approved and adopted.~~"

Section 2. Section 7-7-2238, MCA, is amended to read:

"7-7-2238. Resolution to issue bonds. (1) If ~~it is found that at the bonding election 40% or more~~ a sufficient percentage of the qualified electors entitled to vote at

LC 0818/01

such election voted on such question and that a majority sufficient percentage of such votes were cast in favor of the issuing of such bonds as provided in 7-7-2237, the board of county commissioners shall, at a regular or special meeting held within 30 days thereafter, pass and adopt a resolution providing for the issuance of such bonds.

(2) Such resolution shall recite:

(a) the purpose for which such bonds are to be issued;

(b) the amount thereof;

(c) the maximum rate of interest the bonds may bear;

(d) the date they shall bear;

(e) the period of time through which they shall be payable; and

(f) the optional provisions, if any.

(3) Such resolution shall provide for the manner of the execution of the bonds. It shall provide that preference shall be given amortization bonds, but shall fix the denomination of serial bonds in case it shall be found advantageous to issue bonds in that form. The board may in its discretion provide that such bonds may be issued and sold in two or more series or installments.

(4) The resolution shall adopt a form of notice of the sale of the bonds."

Section 3. Section 7-7-4235, MCA, is amended to read:

"7-7-4235. Percentage of electors required to

authorize the issuing of bonds. ~~(1)~~ Wherever the question of issuing bonds for any purpose is submitted to the registered electors of a city or town at either a general or special election, the determination of the approval or rejection of the bond proposition is made in the following manner:

(1) determine the total number of electors who were qualified to vote in the bond election;

(2) determine the total number of qualified electors who voted in the bond election from the tally sheet or sheets for the election;

(3) calculate the percentage of qualified electors voting at the bond election by dividing the number determined in subsection (2) by the number determined in subsection (1); and

(4) when the calculated percentage in subsection (3) is 40% or more, the bond proposition is considered approved and adopted if a majority of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(5) when the calculated percentage in subsection (3) is more than 30% but less than 40%, the bond proposition is considered approved and adopted if 60% or more of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(6) when the calculated percentage in subsection (3) is 30% or less, the bond ~~not less than 40% of the registered~~

~~electors entitled to vote on the proposition or question must vote thereon; otherwise, the~~ proposition ~~shall be~~ is considered ~~to have been~~ rejected.

~~(2) If 40% or more of the registered electors do vote on the proposition or question at the election and a majority of the votes are cast in favor of the question or proposition, then the proposition or question shall be considered to have been adopted and approved.~~"

Section 4. Section 7-7-4236, MCA, is amended to read:

"7-7-4236. Resolution to issue bonds. (1) If ~~40% or~~ more of a sufficient percentage of the qualified electors of the city or town entitled to vote on the question of issuing bonds voted thereon and a ~~majority~~ sufficient percentage of the votes were cast in favor of the issuing of the bonds as provided in 7-7-4235, the city or town council shall, at a regular or special meeting held within 30 days thereafter, pass a resolution providing for the issuance of the bonds.

(2) The resolution shall recite:

(a) the purpose for which the bonds are to be issued;

(b) the amount thereof;

(c) the maximum rate of interest the bonds may bear;

(d) the date they shall bear;

(e) the period of time through which they are payable; and

(f) that any bond may be redeemed in full, at the

option of the city or town, on any interest payment date after expiration of one-half of the term for which the bond was issued.

(3) The resolution shall provide for the manner of execution of the bonds. It shall provide that preference shall be given amortization bonds but shall fix the denomination of serial bonds in case it shall be found advantageous to issue bonds in that form. The council may in its discretion provide that such bonds may be issued and sold in two or more series or installments.

(4) The resolution shall adopt a form of notice of the sale of the bonds."

-End-

HOUSE FINAL STATUS

18 MONTHS TO 24 MONTHS

1/24	INTRODUCED		
1/25	REFERRED TO BUSINESS & ECONOMIC DEVELOPMENT		
2/01	HEARING		
2/01	COMMITTEE REPORT--BILL PASSED		
2/03	2ND READING PASSED	92	8
2/06	3RD READING PASSED	89	7
	TRANSMITTED TO SENATE		
2/07	REFERRED TO TAXATION		
2/10	HEARING		
	DIED IN COMMITTEE		

HB 372 INTRODUCED BY GOULD, ET AL.
DEFINE CRITERIA TO DETERMINE ELECTION RESULTS RELATING TO ISSUANCE OF COUNTY AND MUNICIPAL OBLIGATION BONDS AS FACTOR OF PERCENT VOTING IN RELATION TO PERCENT VOTING IN FAVOR

1/24	INTRODUCED		
1/25	REFERRED TO LOCAL GOVERNMENT		
2/02	HEARING		
2/08	COMMITTEE REPORT--BILL PASSED		
2/10	2ND READING PASSED	70	24
2/13	3RD READING PASSED	68	29
	TRANSMITTED TO SENATE		
2/14	REFERRED TO STATE ADMINISTRATION		
3/09	HEARING		
3/09	COMMITTEE REPORT--BILL CONCURRED		
3/10	2ND READING CONCURRED	46	1
3/13	3RD READING CONCURRED	41	8
	RETURNED TO HOUSE		
3/21	SIGNED BY SPEAKER		
3/22	SIGNED BY PRESIDENT		
3/22	TRANSMITTED TO GOVERNOR		
3/27	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 336 EFFECTIVE DATE: 10/01/89		

HB 373 INTRODUCED BY HANNAH, ET AL.
REVISE THE NUMBER OF REIMBURSABLE ROUND TRIPS FOR LEGISLATORS

1/24	INTRODUCED		
1/25	REFERRED TO STATE ADMINISTRATION		
1/25	FISCAL NOTE REQUESTED		
1/31	HEARING		
1/31	FISCAL NOTE RECEIVED		
2/03	FISCAL NOTE PRINTED		
2/16	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/21	TAKEN FROM PRINTING		
2/21	REREFERRED TO APPROPRIATIONS		
2/28	HEARING		
3/14	COMMITTEE REPORT--BILL PASSED AS AMENDED		
3/17	2ND READING PASSED	74	16
3/20	3RD READING PASSED	74	21
	TRANSMITTED TO SENATE		

Questions From Committee Members: None

Closing by Sponsor: Rep. Hoffman closed.

DISPOSITION OF HOUSE BILL 416

Motion: Rep. Good moved DO PASS. Rep. Gould seconded.

Discussion: Rep. Johnson asked Rep. Hoffman why the appropriation was coming out of the stripper well payments as stated in the bill and what is the fund for. Rep. Hoffman did not know but it was irrelevant to this bill. Rep. Gould stated that the bill should not be held pending information on the stripper well fund.

Amendments, Discussion, and Votes: None

Recommendation and Vote: HB 416 recommended DO PASS unanimously.

HEARING ON HOUSE BILL 372

Presentation and Opening Statement by Sponsor:

Rep. Budd Gould, District 61, stated that this bill would affect general obligation bonds. Presently the law states that for a general election to be valid you must have 40% turnout or the election is null and void. This bill would change that to 30% with 60% majority for a measure to pass. If there is a 40% turnout then a simple majority is necessary for the measure to pass.

Testifying Proponents and Who They Represent:

Chuck Stearns, City Clerk and Finance Director, Missoula
Alec Hansen, Montana League of Cities and Towns

Proponent Testimony:

Chuck Stearns stated that this bill would enable the city to operate under the same restrictions as the school districts. This bill would provide consistency among all jurisdictions and simplify the election process.

Alec Hansen stated that his organization passed a resolution unanimously in support of this legislation.

Testifying Opponents and Who They Represent: None

Opponent Testimony:

None

Questions From Committee Members: Rep. Wallin asked Mr. Hansen if the university voters could dominate an election and force a levy on property owners in the city. Mr. Hansen said he was unsure. Mr. Stearns stated that the university population is a transient group that are not consistent voters and purging the voter registration rolls often is helpful in this regard. Rep. Wallin said that the university voters can dominate a vote in Bozeman.

Closing by Sponsor: Rep. Gould addressed Rep. Wallin's concerns about university students. He felt that university students tend to increase the voter registration but do not have a high voter turnout making it harder to achieve 40% turnout for these elections. This is a statewide problem not just Missoula.

DISPOSITION OF HOUSE BILL 372

No action taken.

HEARING ON HOUSE BILL 392

Presentation and Opening Statement by Sponsor:

Rep. Paula Darko, District 2, stated that HB 392 would be a convenience for those with travel trailers or motor homes that leave the state during the winter months which is when they should pay their taxes and registration on these vehicles. This bill moves the date of registration to a time when the "snowbirds" would be in residence in Montana. The state is possibly losing revenues now because it is very hard to register through the mail; so people are registering their vehicles in the state where they happen to be when the registration expires. July 1 creates problem with the fiscal year so amendments are requested to move the date between May 1 to June 15.

Testifying Proponents and Who They Represent:

Gene Pigeon, state officer, Good Sam RV Club

Proponent Testimony:

Gene Pigeon stated that his organization supports this bill

VISITORS' REGISTER

Local Government COMMITTEE

BILL NO. 372 DATE 2/2/89

SPONSOR Gould

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Alec Hansen	MLCT	✓	
Chuck Stearns	City of Missoula	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

the Statement of Intent. Rep. Brooke spoke against the bill because it is taking liberties for one particular business. Rep. Hansen stated her opposition. Rep. Darko remarked that zoning and planning organizations may not have been aware of this bill. Rep. Good spoke in favor of this legislation. Rep. Rehberg stated that this is a good bill because it makes good sense to set standards. Rep. Hansen doesn't object to the standards but only to section 5.

Recommendation and Vote: The vote to adopt the Statement of Intent was unanimous. Rep. Rehberg moved the amendment plus the suggestion that anywhere NRA is mentioned it be replaced with F & G commission. Rep. Brown seconded. HB 244 was recommended DO PASS AS AMENDED with Reps. Guthrie, Hansen and Brooke voting "No".

DISPOSITION OF HOUSE BILL 388

Hearing Date: February 2, 1989

Motion: Rep. Hansen moved HB 388 DO PASS. Rep. Good seconded.

Discussion: Lee explained the proposed amendments - one to exempt cities and one dealing with the county surveyor.

Amendments, Discussion, and Votes: Rep. Good moved to amend HB 388. Rep. Wyatt seconded. Rep. Stickney did not like the word "impracticable". There was a friendly amendment to change it to "impractical". Rep. Wyatt asked for another friendly amendment. It now becomes "physically impractical". The motion to amend CARRIED unanimously.

Recommendation and Vote: Rep. Gould moved HB 388 DO PASS AS AMENDED. Rep. Good seconded. The motion CARRIED with Reps. Rehberg, Guthrie, Hoffman and Dave Brown opposing.

DISPOSITION OF HOUSE BILL 372

Hearing Date: February 2, 1989

Motion: Rep. Good moved HB 372 DO PASS. Rep. Gould seconded.

Discussion: Rep. Gould explained that the bill would make city elections uniform with school elections. Rep. Dave Brown did not like the bill because it condones irresponsible citizens that do not vote. Rep. Guthrie concurs because it rewards apathy on the part of the voter. Rep. Gould felt the same way.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion DO PASS CARRIED unanimously.

STANDING COMMITTEE REPORT

February 8, 1989

Mr. Speaker: We, the committee on Local Government report that HOUSE BILL 372 (first reading copy -- white) do pass .

Signed: _____
Paula Darko, Chairman

A. Representative Cody responded plus interest.

Q. Senator Hofman asked Representative Cody why she sees the need to put this into statute, if people have already been doing this.

A. Representative Cody responded it is because of the audit by the FTC. She indicated the FTC did an audit, and said there should be something in the law concerning the pre-need or at-need contractual agreements.

Closing by Sponsor:

Representative Cody stated she thinks it is a good piece of legislation, that it does not need a lot of amending, and she would appreciate the committee's consideration.

Chairman Farrell announced the hearing on HB118 as closed.

DISPOSITION OF HB 118

Discussion:

Senator Abrams offered a motion that HB118 be concurred in.

Recommendation and Vote:

Motion passed by the committee that HB118 be concurred in.

HEARING ON HB 372

Presentation and Opening Statement by Sponsor:

Representative Budd Gould stated that HB372 is very short, very simple and, unfortunately, something that he believes very necessary. He explained that this will change the law so that cities and counties will come into the law as school districts have been under for a long time, now, which is, when they have a general obligation bond on the ballot, if there is a 30% turn-out, and 60% of the voters vote for it, it would pass. He added that, if 40% of the people turn out, it would only need a simple majority.

Representative Gould indicated it is unfortunate that, at half of the doors they knock on, the people are not registered to

vote. He stated that, in a primary, if they get a 21.5% turn-out, or 30% turn-out, they think it is quite a turn-out and, consequently, if there is something such as a fire engine that is needed, the only way it can be done is to wait until a general election, in order to get a big enough turn-out to qualify as a full election. He indicated that, if they get 60%, they think they have done really well, and stated he thinks the same thing should be favored for a general obligation bond; if they get 60%, it has done very well, and there is a large amount of public support for that.

He reported that there have been instances of general obligation bonds which have gotten 82% but, since the turn-out was 39%, the issue failed and had to be held over for the next election, which entails additional costs. He indicated that everyone sees him wearing the flag, everyday, that he flies the flag everyday, at his home, and thinks that voting is the most wonderful thing in the world, that it is what has made our country great. He stated he wishes we could do more to promote people to get out and cast their ballot.

Representative Gould stated he thinks this is a very necessary bill, and noted that Chuck Stearns, from the City of Missoula, is here to speak on it.

List of Testifying Proponents and What Group they Represent:

Chuck Stearns, Finance Director and City Clerk, City of Missoula
Shelly Ann Laine, Director of Administrative Services, City of Helena

Testimony:

Mr. Stearns distributed copies of his written testimony to the committee members, a copy of which is attached as Exhibit 13. He referred to the back of the handout, which reports the history of turnouts over the last 6 years, and indicated they feel it makes sense to be able to vote on general obligation bond issues at city elections, so that it can be a city issue that people have to take a position on, that candidates have to take a position on, and noted that it makes sense to be able to do it at city general primary elections. He added that 40% is a good turnout for a city general election, and that they generally get that only when there is a mayoral race.

Mr. Stearns indicated they appreciate the committee's consideration of this bill, and ask that they concur in it.

Testimony:

Ms. Laine stated the City of Helena supports HB372. She indicated that, although they have not had a general obligation bond issue since 1979, the City definitely supports the provisions of this bill, noting there may come a time when they need to do another issue. She stated that, allowing the second option of a 60% approval rate, of a 30% to 40% voter turnout, makes good sense, noting that it is often very difficult to get a 40% turnout. She reported the Clerk and Recorder gave her the following voter turnout percentages: In their city general election for 1987, their turnout was 16%; in 1985, 30%; in 1983, 31%; in 1981, 32%; and, in 1979, when they did their GO issue, it was 50%.

Ms. Laine stated that, although they were able to get the necessary voter turnout last time, these figures show that there is no guarantee. She further stated that the City of Helena would urge the committee to give a do pass recommendation on this bill.

List of Testifying Opponents and What Group They Represent:

None.

Questions From Committee Members:

Senator Vaughn indicated she does not have a question, but stated that SB86 would also help the cities, in this respect, because it would purge the voters every 2 years, rather than having a lot of extra people on their list who would not be qualified to vote, and causing their percentages to be off. She noted that bill has gone through the Senate, but she does not know what it will do in the House.

Q. Chairman Farrell indicated it is his understanding that they can drop that percentage, that right now it is 40% turnout, asking if that is right.

A. Mr. Stearns responded that is correct, for cities and counties.

Q. Chairman Farrell asked if what they are asking to drop that to 30%, if they get a 60% approval rate; if they would drop it to 30% but, to pass it, they would have to have 60% approval.

A. Mr. Stearns responded the 40% would remain, so that a simple majority, 50% plus 1, remains for 40% turnout. He indicated that, if they do not achieve a 40% turnout, but more than a 30% turnout, they would have to have a qualified majority of 60% approval, noting that, when they drop down from 40% turnout, the approval requirements are raised.

Q. Chairman Farrell asked, for his own information, if this would allow the cities not to advertise, or go out a little bit more. He indicated he is asking, if they think they can get 30%, would they be less likely to go out and promote what they are trying to sell the bond issue on.

A. Mr. Stearns responded he does not think it would detract from their efforts to sell it. He noted that, currently, they have to sell on their own time, indicating that elected officials can use any time but, if he is speaking to a group, he has to speak on lunch, or after hours. He stated that he thinks they have to get out there and inform the voters, noting they do public information pamphlets, which are non-advocacy, and just inform the voters of the consequences of the ballot issue. He indicated he does not see that they would have to do any less selling, pointing out that, on the back of their chart, it shows that they are not guaranteed 30%. He noted that the city general election in 1987 was a 23% turnout and, although the Helena figures show that 30% is very achievable for many city elections, he is sure they would have to sell it just as much.

Closing by Sponsor:

Representative Gould indicated that he hopes the committee will give this a do concur. He noted that, as he said, he wishes that 100% of the people would vote in every election.

Chairman Farrell announced the hearing on HB372 as closed.

DISPOSITION OF HB 372

Discussion:

Senator Vaughn offered a motion that HB372 be concurred in.

Recommendation and Vote:

Motion passed by the committee that HB372 be concurred in.

HEARING ON HB 101

Presentation and Opening Statement by Sponsor:

Representative Fritz Daily stated that HB101 is a bill which will require that all payments made by the State of Montana to local governments be issued to the treasurer, or the finance officer of that local government. He indicated there are a couple of other points in the bill which require that the notice of receipt be delivered to the Clerk and Recorder in that government entity, by that finance officer, and also requires that the finance officer notify the government entity that would be receiving the payment, that the check has been received from the state. He stated that, under the current system, warrants are sent to various people in the local government agencies, noting that the list of individuals who received warrants delivered to Butte-Silver Bow goes on and on. He reported that this bill comes as a result of a problem they had in Butte-Silver Bow with the Health Department, indicating that, as most of the committee members know, there was a very serious problem in that the Health Department director was putting these warrants into various checking accounts, and Butte-Silver Bow ended up paying the State of Montana back a total of $135,000, which had been sent to Butte-Silver Bow, and was used by the Health Department director, adding that it is a very serious problem in Montana. He noted that he is sure, if it is going on in Butte-Silver Bow, it is going on in other areas of the state, as well, and indicated he thinks this is a good way to correct the problem.

Representative Daily reported that Newell Anderson, from the Department of Commerce, Audit Division, and Gary Row, from Butte-Silver Bow, are here to address the issue. He noted that Chief Executive Don Peoples would have been here, but is in Washington, D.C.

List of Testifying Proponents and What Group they Represent:

Newell Anderson, Administrator, Local Government Assistance Division, Department of Commerce
Gary Row, Budget Administrator, City and County of Butte-Silver Bow
Peggy Haaglund, Executive Vice President, Montana Association of Conservation Districts

SENATE STANDING COMMITTEE REPORT

March 9, 1989

MR. PRESIDENT:

We, your committee on State Administration, having had under consideration HB 372 (third reading copy -- blue); respectfully report that HB 372 be concurred in.

Sponsor: Gould (Farrell)

BE CONCURRED IN

Signed: _____

William E. Farrell, Chairman

4:00 pm
3/9/89

sersb372.301

MISSOULA FINANCE/CITY CLERK OFFICE
201 W. SPRUCE • MISSOULA, MT 59802-4297 • (406) 721-4700

FINANCE
BUDGET AND ANALYSIS
ACCOUNTING
CITY CLERK
UTILITY BILLING
RISK MANAGEMENT

SENATE STATE ADMIN.
EXHIBIT NO. 13
DATE 3/9/89
BILL NO. HB372

CITY OF MISSOULA
CHUCK STEARNS TESTIMONY ON HOUSE BILL #372

The City of Missoula supports House Bill #372 and thanks Representative Gould for agreeing to sponsor the bill. The idea for this bill arose out of our frustration in trying to pass General Obligation Bond issues when 40% voter turnout is not achieved.

In the early 1980's, the City of Missoula placed a $500,000 open space G.O. Bond before the voters and it took three elections before the 40% turnout was achieved, even though the majority of voters approved it in each election. At the second election, there was a 40% turnout for the candidates, but not everyone voted in the bond election and a 40% turnout for the bond issue was not attained. There was speculation that the cause of the lower turnout was because the bond issue was the last item on the ballot. The bond issue passed by a 54%-46% margin at the third and final election.

More recently, the City of Missoula proposed a bond issue for fire equipment at last year's City general election. Despite overwhelming approval by 82% of the voters, the issue failed because of only 23.5% voter turnout. We had to have another special election as part of last fall's general election and, with a 57% turnout, a larger bond issue for fire equipment passed with 72% approval. This special election cost the City's taxpayers $1,275.

However, despite these frustrations, HB372 does not give cities unbridled power to issue bonds. It would only allow cities and counties the same turnout requirements that school districts currently have pursuant to Section 20-9-428 MCA. School districts issue more bonds than do cities and counties and it only makes sense for the three bond issuing jurisdictions to have the same turnout requirements in law.

Montana's cities and towns are not large issuers of debt compared to the rest of the nation and our G.O. bond issues tend to be for the "plain old vanilla" types of uses such as fire equipment, city hall additions, and other community facilities. Comparing Missoula to the top 50 cities nationwide, we would rank 45th out of the 50 largest cities in long term general debt per capita.[1] Missoula's debt is $127.00/per capita and this figure is quite conservative in keeping with Montana traditions. We do not expect to be issuing alot of bonds, but we do not feel that we should have to wait for a general election every two years to be sure of a forty percent turnout.

Being able to put bond issues on the same ballot as city officials are elected on makes voting sense and is more efficient as well. The turnout trend for city precincts is listed on the back of this sheet. The City of Missoula supports HB372 and encourages your concurrence.

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[1] "The Top 50 Cities - 3rd Annual City Financial Report" *City and State*, (Chicago: Crain Publishing Co., 1988), December 5, 1988 issue, p.12.

	Election	City Voters - Registered	City Voters - Election Turnout	Turnout Percent
	1988 City Special Election	25,806	14,771	57.2%
*	1988 Primary Election	24,992	9,413	37.7%
	1987 City General Election-Bond	21,749	5,113	23.5%
	1987 City Primary Election	21,153	823	3.9%
*	1986 General Election	24,284	15,237	62.7%
*	1986 Primary Election	22,785	5,816	25.5%
	1985 City General Election	18,846	7,890	41.9%
	1985 City Primary Election	18,342	7,675	41.8%
*	1984 General Election	32,560	21,458	65.9%
*	1984 Primary Election	29,542	7,489	25.4%
	1983 City General Election	29,250	9,761	33.4%
	1983 City Primary Election	22,820	2,789	12.2%

* Elections office did not keep precise totals on number of city voters when there was not a city election in this year. Figures shown are close approximations, based on tabulation of precincts.

STATE ADMINISTRATION COMMITTEE

SENATE STATE ADMIN.
EXHIBIT NO. 14
DATE 3/9/89
BILL NO. HB372

WITNESS STATEMENT

To be filled out by a person testifying or a person who would not like to stand up and speak but wants their testimony entered into the record.

NAME: Shelly Ann Laine DATE: 3/9/89

Address: 316 N. Park
Helena MT 59623

Phone: 442-9920

Representing whom?
City of Helena

Appearing on which proposal?
HB 372

Do you: SUPPORT? X AMEND? _____ OPPOSE? _____

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY